

Regulation and Frequency Response Service (DSW-FR4) Calculation of FY 2022 Charge

Annual Revenue Requirement for Regulation Service

$$\text{Charge} = \frac{\text{Load within WALC Requiring Regulation} + \text{Installed Nameplate Capacity of Variable Resources Serving Load within WALC} \times \text{Applicable Capacity Multiplier(s)}}{\text{MW-Yr}}$$

Hoover Capacity Required	×	50 MW
Hoover Capacity Rate for FY22		\$24,360 /MW-Yr
Cost for Hoover Capacity	=	\$1,218,000
Purchases in Support of Regulation	+	<u>\$308,805</u>
Annual Revenue Requirement for Regulation Service	=	\$1,526,805

Load within WALC that Requires Regulation (Average of Aggregated Monthly Maximum Demand)		1,495,734 kW
Installed Nameplate Capacity of Variable Energy Resources Serving Load within WALC	+	0 kW
Capacity Multipliers for Variable Energy Resources	×	1.00
Total Load and Variable Energy Resources	=	1,495,734 kW

Service Charges =		\$1.02 /kW-Year
		\$0.085 /kW-Month
		\$0.020 /kW-Week
		\$0.003 /kW-Day
		0.117 Mills/kWh